

31 July 1987

Contracting and Acquisition

ANG LOCAL PURCHASE PROGRAM

This regulation establishes the ANG Local Purchase Program as an essential part of the Air Force logistics structure and management concept. It explains responsibilities and functions of base contracting agents and the commanders to whom they are responsible. It applies to all Air National Guard installations.

1. Objectives of the Local Purchase

Program: The Local Purchase Program will--

a. Give ANG Installations self-sufficiency under all conditions in establishing requirements, planning and budgeting to procure directly the materials, supplies, and services; and construction they require to effectively support their own missions and missions of those tenant or satellite units they may support.

b. Give ANG commanders the capability to use local instead of central contracting agencies to obtain essential support in public exigency situations (as authorized).

c. Give ANG contracting personnel an effective way to accomplish the ANG mission through establishment of beneficial business relationships with commercial firms.

d. Assure that the contracting method used is the most advantageous to the ANG when price, quality, timeliness, and other factors are considered.

e. Assure that all personnel involved in the contracting process at each ANG installation are continuously trained to improve program effectiveness.

2. Source of Contracting Authority:

Contracting authority is a delegation of the statutory authority vested in the Secretary of the Army by Title 10, United States Code. It is not inherent authority of a military command organization position or title at any level below the Secretary (see the Federal Acquisition Regulation (FAR) and the Army FAR Supplement (AFARS)). Individuals appointed as contracting officers are agents of the U.S. Government.

a. The Secretary of the Army has delegated authority to procure supplies and services for the National Guard to the Chief, National Guard Bureau. That authority is further delegated to United States Property and Fiscal Officers (USPFO) of each State, Commonwealth of Puerto Rico, the District of Columbia, the Virgin Islands, and Guam. That authority may be further delegated within the Air National Guard when recommended by the USPFO and approved by the National Guard Bureau.

b. Consistent with the authority delegated by the Chief, National Guard Bureau, or designated representative, ANG contracting officers shall prepare, enter into, and administer contracts for construction, supplies, and services.

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3. Contracting Action Policy:

a. Contracting actions shall be promptly initiated and completed by duly appointed contracting officers under policy and procedures authorized by 10 U.S.C. 2301 et. seq., and implemented by the FAR, DFARS, AFARS, NGB Contracting Information Letters (CIL), National Guard Contracting Instructions (NGCI), and other NGB directives.

b. The basis of a contracting action is a purchase request prepared on AF Form 9, Request for Purchase, DD Form 1348-1, DOD Single Line Item, or another approved form. The request shall have or be accompanied by a complete statement of work, specification, or purchase description of each item to be purchased and the date it is required.

c. The initiator of a purchase request shall assure that the funds are available for the procurement. Procurement action will not be taken without certificate of availability of funds signed by an authorized funds certifying official (unless stock funded).

4. Responsibilities and Functions of the USPFO:

a. Responsibility. USPFOs, when properly designated as Federal Contracting Officers, shall within the limits of their designation, perform contracting responsibilities in accordance with FAR, as implemented by the supplements issued by Department of Defense and Department of the Army (DFARS and AFARS), current Army Acquisition Letters (AL), NGB CIL, and other pertinent Army and NGB publications.

b. Functions.

(1) Within the limits of their contracting officer authority, execute and administer contracts for supplies and services, contracts for construction, and agreements with the State for operation and maintenance of ANG installations.

(2) Assure that qualified contracting personnel are recommended for appointment as contracting officers to support the local ANG base contracting program.

(3) Review contracting officer appointments and renominate qualified

personnel for renewal of their individual appointments.

c. Relationship with State. USPFOs, as well as their agents, shall not act as contracting officers for any contract of the State.

5. Responsibilities and Functions of Commanders and Base Contract Specialists:

a. Commanders. The term "commander" means the commander (wing, group, base, resources, etc.) directly responsible for the effectiveness of the base contracting activity. In discharging that responsibility, they perform the following functions:

(1) Program for items of supplies and services authorized for local purchase and required to support the unit's mission and the mission of all logistically supported units.

(2) Develop and implement a contracting program consistent with the responsibilities of the USPFO for budget and financial plans, operation and maintenance requirements planning, and construction programming.

(3) Assure timely development of realistic requirements, specifications, and purchase descriptions; and necessary coordination between requiring activities, the comptroller, the base contract specialists, and the USPFO to provide adequate leadtime.

(4) Assure that an effective local purchase program is established, authorize initiation of purchase requests, and assure that unauthorized supplies and services are not requested or purchased.

(5) Appoint, as appropriate, approval authorities for purchase requests. Approval authority for supply requests must be in accordance with AFM 67-1.

(6) Emphasize to personnel under their jurisdiction that in dealings with contractors only contracting officers may commit the United States Government.

(7) Assure that sufficient qualified personnel are assigned to the base contracting function.

(8) Assure adequate numbers of qualified technical personnel are available to inspect and receive purchased supplies, services, and construction work.

(9) Assure that receiving reports and certificates of service are expeditiously completed and processed and that contractors are promptly paid for accepted supplies and services.

(10) Keep the base contracting section advised when changes occur in the program or in requirements for supplies and services.

(11) Establish security requirements and guidance for contracting programs.

(12) Assure that item managers receive copies of purchase orders for centrally managed items that are authorized for and procured locally.

(13) Provide the base contracting function adequate and efficient facilities that present a good appearance, are readily accessible to the business public, and have adequate visitors' parking areas.

(14) Establish policies and procedures that:

(a) Define the responsibilities of all base activities in supporting and accomplishing the local purchase program.

(b) Provide direct operational channels between base contracting and all base activities, including logistically supported units, to assure effective coordination to preclude or eliminate problem areas.

b. Base contract specialists. Plan, supervise, direct, and coordinate the functions of the base contracting office. These responsibilities include--

(1) Analyzing the local purchase program, considering such factors as sources of supply, delivery requirements, recurring requirements, quality requirements, value analysis, and costs.

(2) Establishing internal policies and procedures to--

(a) Review purchase requests, including but not limited to fund certification, adequacy of item description, and contracting leadtime.

(b) Prepare and maintain

records and reports of contracting actions and related activities.

(c) Determine contracting methods, contract negotiation, contract compliance, and maintenance of eligible and ineligible source lists.

(3) Award (if appointed as contracting officer) or prepare contracts for supplies, construction, and services after giving consideration to such factors as:

(a) Price and quality of items offered.

(b) Delivery requirements.

(c) Responsibility and capability of potential contractor.

(d) Special conditions or requirements.

(4) Direct administration of contracts, including:

(a) Maintaining and documenting contract records.

(b) Authorizing partial payment.

(c) Controlling delivery schedules or performance records.

(d) Reviewing contractors accounting systems.

(e) Inspecting for compliance with contract clauses.

(f) Resolving or processing disputed matters.

(g) Terminating and settling contracts within delegated authority.

(5) Perform contracting officer representative (COR) duties as assigned by the USPFO.

(6) Monitor payments made by imprest fund cashiers.

(7) Coordinate with:

(a) The USPFO to assure that all required procedures for Federal contracting are established.

(b) Initiators of purchase requests to assure the correctness of the statement of work, specifications and purchase descriptions and adequacy of procurement planning, recurring requirements, and procurement leadtime.

(c) The Staff Judge Advocate, resident auditor, and Defense Contract Administration Service Region (DCASR) on terms of contract, price negotiation, contractor responsibility, and quality control.

(8) Ensure that fair portions of total purchases for supplies and services are placed with small business and small disadvantaged business, and that complete cooperation is given the small business and small disadvantaged business utilization specialists (SADBU) in their management of the SADBU program.

(9) Establish, for the commander, emergency contracting plans to be implemented during national emergencies, disasters, or evacuation.

(10) Give competent contracting advice to the command and all staff elements.

(11) Develop and implement comprehensive self-inspection program designed to detect and correct problem areas and weaknesses in the contracting program to include a small purchase verification program as required by AFARS 13.190.

(12) Develop and execute comprehensive training programs. These programs will include scheduling personnel to attend formal contracting courses.

6. Control and Inspection of Local Purchase Programs:

a. Statutory and regulatory limits and controls. The local purchase program shall operate within the limits imposed by--

(1) Pertinent public laws and decisions of the Comptroller General, the Armed Services Board of Contract Appeals, and the courts.

(2) The FAR, DFARS, AFARS, NGBI, and other NGB directives.

(3) Delegations of contracting authority.

b. Operational and management controls.

(1) Contracts.

(a) All contracting officers shall be appointed by the National Guard Bureau in accordance with the provisions of FAR, DFARS, and AFARS. Nominations for appointment as contracting officers shall be submitted to NGB-JA through the USPFO. Nominees must meet the minimum training requirements set forth in NGB directives.

(b) To be binding, contracts must be executed in writing by the appropriate authority; and, when required by regulation, written approval shall be obtained from Chief, National Guard Bureau.

(c) Solicitations and contracts shall be reviewed before they are executed as required by a judge advocate.

(2) Control of base contracting activities. Base contracting activities shall be--

(a) Under the jurisdiction of the USPFO for technical guidance and accountability of procurements involving the use of federally appropriated funds.

(b) Manned according to approved manpower allowances. Every effort will be made to staff them with technically qualified and experienced personnel.

(3) Deviations from FAR. All deviations shall be approved as required by FAR 1.4 and corresponding DOD and Army supplements.

(4) Reports. Reports shall be submitted as prescribed by applicable DOD, Army, and NGB directives. ANG reports shall be consolidated by the USPFO and forwarded as required. The USPFO may direct preparation of additional reports that he requires.

c. Surveillance of contracting programs.

(1) Surveillance responsibility.

(a) The Chief, Office of Legal Advisor, Principal Assistant Responsible for Contracting, National Guard Bureau, will maintain surveillance over ANG base contracting programs.

(b) USPFOs will maintain surveillance over their own contracting program. One surveillance visit to each ANG base contracting office will be scheduled and conducted annually by a USPFO representative. The primary objective of the USPFO surveillance visits will be to review and evaluate the management, execution, and implementation of contracting policy; and to help the visited activity accomplish its contracting program.

(2) Reporting surveillance visits. A written report shall be prepared for each surveillance visit and kept in files for review by NGB and Air Force surveillance personnel during field visits or inspections.

(a) Show the date and purpose of the visit, the unit visited, the names of key personnel contacted, general observations and findings, recommendations made, and actions taken.

(b) Emphasize previous staff visits, Inspector General and Auditor General reports, actions taken when needed to correct deficiencies, and special subjects such as utility reviews, self-inspection, commissary support, and any other material currently requiring staff attention.

d. Contracting inspections.

(1) The Inspector General, HQ USAF, performs inspections as programmed.

(2) The gaining command's inspector general conducts contracting inspection programs.

(3) The Auditor General audits base contracting activities as prescribed by AFR 175-4.

e. Self-inspections. USPFO and ANG contract specialists shall perform self-inspections of their own contracting activity semiannually. Inspections shall be documented to include corrective actions taken to eliminate noted deficiencies. Checklists, IG reports, audit reports, and staff surveillance reports should be used as a guide for the self-inspection.

7. ANG Contracting Section Organization:

a. Contracting files.

(1) Purchase and delivery orders will be maintained in individual file folders. The files will be placed in numerical order (by contract/order serial number).

(a) Open market purchases requiring a fair and reasonable price determination will contain this determination in writing on DD Form 1784, Small Purchase Memorandum (local form authorized).

(b) Quotes for competitive

open market purchases will be recorded on an abstract (AF 3062 or local form) and placed within the purchase order folder.

(2) Construction purchases (SF 1442) shall be filed within official contract folders, indexed as required by NGB Form 8. These files will be separated from all others and placed in numerical order.

(3) Blanket Purchase Agreements (BPAs) shall be filed within six-part folders. Copies of all documents relating to calls made under these BPAs will be placed in the folder, including abstracts of quotes or fair and reasonable price determinations. Duplicate folders may be provided to using activities if the BPA is decentralized. However, semiannual BPA reviews must be filed in the contracting office's folder.

(4) Blanket delivery orders shall be filed similarly to BPAs.

(5) In disposing of contract files, procedures of the FAR, DFARS, AFARS, and NGCI shall be followed.

b. Contracting directives. The contracting section should maintain the following publications, at a minimum, as part of their reference library:

(1) Federal Acquisition Regulation.

(2) Department of Defense FAR Supplement.

(3) Army Federal Acquisition Regulation Supplement.

(4) Army Acquisition Letters.

(5) National Guard Contracting Instruction.

(6) NGB Contracting Information Letters.

(7) Consolidated List of Debarred, Suspended & Ineligible Contractors (GSA Office of Acquisition Policy FAR 9.404).

(8) Defense Materiel System (DMS) Reg 1.

(9) Defense Priority Systems (DPS) Reg 1.

(10) Priorities and Allocation Manual.

(11) Defense Standardization Manual 4120.3-M.

(12) General Services Administration Supply Catalog.

(13) Federal Supply Schedules (FAR 8.4).

(14) Contractor catalogs.

(15) Federal Prison Industry Schedule (FAR 8.6).

(16) Blind and Other Severely Handicapped Acquisition (FAR 8.7).

(17) Thomas Register and/or similar directory.

(18) Armed Services Pricing Manual (FAR 15.804).

(19) Applicable Army, Air Force, and National Guard regulations.

(20) Applicable local/unit directives and office instructions.

(21) Telephone directories (as required).

c. Followup requirements. All requests for followup or expedite action for items appearing on the followup request listing should be initiated within 3 working days after the listing is received. If the listing cannot be completed within 3 days after it is received, annotate the listing with the reason for delay. Followup listings shall be retained in the contracting section for 90 calendar days after receipt.

d. Nonautomated customer followup. The "followup by exception method" will be used to administer procurement actions (except construction over \$2000 and services over \$2500 for nonautomated customers). Followup requests from nonautomated customers will be received either orally or by informal correspondence. Upon receipt of a followup request, the contract specialist will initiate followup action, document the action taken, and advise the customer.

The purchase requisition and vendor records will be updated to reflect the revised estimated delivery date (EDD) and any delinquencies.

e. Recurring requirements. A suspense file shall be established and maintained to announce recurring requirements sufficiently in advance to allow normal timeframes for preparation, advertising, negotiation, and award.

f. Nonautomated purchase requests. All nonautomated purchase requests will be entered into a locally devised control ledger. Minimum information shall include date received, date supplies/services required, date of action on request, solicitation number, date of order/contract, purchase order/contract number, and date of followup (if required/performed). Also, a remarks section shall be included that will allow any necessary comments (such as, if the purchase request was returned for additional information).

g. Sole source justification. Contract specialists shall follow procedures set forth by the competition advocate of the National Guard Bureau. In addition--

(1) Purchase request initiators will prepare convincing written justification to accompany purchase requests for sole source purchases. Justification will not preclude reconsideration if the contract specialist presents information to the requesting official that indicates there is more than one source available for the required item or services.

(2) Sole source justification accompanying purchase requests shall be reviewed by the unit/group commander for validity. Dollar limitations as set forth in the FAR, DFARS, AFARS, and NGCI will be followed.

31 July 1987

BY ORDER OF THE SECRETARY OF THE AIR FORCE

HERBERT R. TEMPLE, Jr., Lieutenant General, USA
Chief, National Guard Bureau

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Executive, National Guard Bureau

SUMMARY OF CHANGES: This revision incorporates procedures prescribed by the FAR and it's supplements and clarifies responsibilities of USPFOs and ANG commanders.